

Return to Written Question

THE HONOURABLE ROBERT C. MCLEOD
MINISTER OF LANDS

Environmental Liability at Prairie Creek Mine Site

Mr. Speaker, I have a Return to Written Question asked by Mr. O'Reilly on March 2, 2016, regarding environmental liabilities at the Prairie Creek mine site.

Mr. O'Reilly asked when the most recent third party assessment of environmental liabilities for the Prairie Creek Mine site was carried out. I can confirm that this was carried out during the Mackenzie Valley Land and Water Board's land use permitting and water licensing process from 2012 to 2014. This was after the Mackenzie Valley Environmental Impact Review Board's environmental assessment of the proposed Prairie Creek mine.

Mr. O'Reilly also asked four questions relating to the third party assessment of environmental liabilities at the Prairie Creek mine site:

1. Who conducted it?

The review was conducted through the land use permitting and water licensing process carried out by the Mackenzie Valley Land and Water Board. The Board is an independent arm's length regulatory board that is free from political influence.

As part of this process Aboriginal Affairs and Northern Development Canada and Canadian Zinc each provided recommendations to the Mackenzie Valley Land and Water Board on the amount of reclamation security. The estimate of existing and future liability provided by Aboriginal Affairs and Northern Development Canada was prepared by Brodie Consulting Limited who have significant experience in northern mine site reclamation, including reclamation cost estimation.

The Board then considered the evidence provided in setting the amount of security to be held against the project within the land use permit and water licence.

2. What was the scope of this assessment?

The reclaim cost estimates provided by Canadian Zinc and Aboriginal Affairs and Northern Development Canada included considerations of costs related to pre-existing infrastructure at the site from the Cadillac Mine, as well as future water and land-related liabilities associated with the proposed activities.

3. What was the amount of the liabilities estimated to exist?

After considering the evidence provided by Aboriginal Affairs and Northern Development Canada and Canadian Zinc, the Mackenzie Valley Land and Water Board set the total end of mine reclamation liability at \$17.07 million.

The Board staged the provision of reclamation security through time within the authorizations, to correspond with the project proceeding through various stages of development.

This amount was between the estimate of \$19,484,410 provided by Aboriginal Affairs and Northern Development Canada and the estimate of \$14,540,679 provided by Canadian Zinc.

4. Can the Minister table this report?

The information requested is already available online through the Mackenzie Valley Water Land and Board's public registry. The information is accessible to the public and contains all the relevant reports and information identified above.

Thank you, Mr. Speaker